

**Guiding Principles for the Iowa Affordable Health Care for Small
Businesses and Families Commission**
Summary of discussion on July 18, 2007
William Penn University, Oskaloosa, Iowa
Presented by Co-chairpersons Jack Hatch and Ro Foege

Principle #1: Coverage and Care should be universal or near universal. Everyone should have portable health care coverage without exclusions or penalties. Coverage and care must provide a basic level of evidence-based benefits--covering both preventive and chronic care as well as catastrophic health care costs. Wellness promotion and preventive care should be part of any basic benefit plan to promote sound health, control costs, and eliminate economic and ethnic disparities.

Principle #2: Coverage should be affordable and take into account all health care costs. Affordability is not just a matter of lower premiums, but is a function of total out-of-pocket costs in a plan and how those costs are paid. Therefore, affordability should take into account all cost sharing, including premiums, deductibles, co-pays and co-insurance, and be compared to adjusted gross income.

Principle #3: Everyone should have a medical home. Individuals should have the ability to select their own health care. A medical home is a health care setting that provides patients with timely, well-organized care and enhanced access to providers. It emphasizes preventive care, especially in managing and eliminating chronic diseases and ethnic disparities in medical care.

Principle #4: Health care should be accessible. Accessibility includes both an adequate supply of necessary providers and geographically viable services. Successful health care reform requires availability of providers in a service area that is close enough for patients to seek vital care.

Principle #5: Financing should be a shared responsibility. Truly shared responsibility balances the roles of employers, individuals and government. Reforms that include only a small role for employers or government funding threaten the affordability of coverage.

Principle #6: Reforms should drive quality improvements and contain costs. Any expansion will result in greater financing in the system with the potential to spend it smarter and leverage quality improvements. Reforms should include measures to contain costs to the system and to patients, including but not limited to measures to ensure the provision of cost-efficient and medically-effective care.

Principle #7: Reforms should do no harm. Employer-sponsored coverage now insures two out of three Americans and is often the only affordable option for working families. For those without employer-sponsored coverage, publicly-funded health care--Medicaid and SCHIP--meets a critical need. Any effort to reduce the number of uninsured should not undermine or erode existing coverage, putting people at risk of unmet health care needs.

Principle #8: Reforms must be sustainable and doable. There are limited state resources but leveraging all financial, public and private, resources enhances the opportunity for legitimate health care reform.